

**TOWN OF LONGDALE  
BLAINE COUNTY, OKLAHOMA**

**ACCOUNTANT'S REPORT  
AGREED UPON PROCEDURES**

**FISCAL YEAR ENDED  
JUNE 30, 2014**

***WILLIAM K. GAUER.***  
***CERTIFIED PUBLIC ACCOUNTANT***  
***WATONGA, OKLAHOMA***

**TOWN OF LONGDALE  
BLAINE COUNTY, OKLAHOMA  
TOWN COUNCIL AND OFFICERS**

**Tony Cheney  
Tony Taylor  
Mike Hicks  
Mike Colvard  
Martha Berry**

**Mayor  
Councilperson  
Councilperson  
Councilperson  
Councilperson**

**Elizabeth Moulton  
Lois McGuire**

**Treasurer  
Clerk**

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Town officials

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**WILLIAM K. GAUER**

*CERTIFIED PUBLIC ACCOUNTANT*

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**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON  
PROCEDURES THAT INCLUDES AN ACCOUNTANT'S COMPILATION REPORT ON  
ACCOMPANYING FINANCIAL STATEMENTS COMPILED BY THE ACCOUNTANT**

Independent Accountant's Report

To the Specified Users of the Report:

Town Board, Town of Longdale  
Longdale, Oklahoma

Trustees of the Longdale Municipal Authority  
Longdale, Oklahoma

Oklahoma Office of State Auditor and Inspector  
Oklahoma City, Oklahoma

I have compiled the accompanying Summary of Changes in Fund Balances-Cash Basis of the Town of Longdale and Public Trusts, Blaine County, Oklahoma as of June 30, 2014 and the related Budgetary Comparison Schedule of General Fund-Cash Basis, Statement of Revenues, Expenses and Changes in Fund Balance of Public Works Authority-Cash Basis, and Schedule of Grant Activity-Cash Basis for the fiscal year ended June 30, 2012. The financial statements have been prepared in a formal and basis of accounting, as prescribed by Oklahoma Statutes, that demonstrates compliance with the cash basis and budget laws of the State of Oklahoma, which is a comprehensive basis of accounting other than generally accepted accounting principles. I have not audited or reviewed the financial statements referred to above, and accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with the cash basis described above.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the cash basis of accounting and the requirements of Oklahoma Statutes and for designing, implementing, and maintain internal controls relevant to the preparation and fair presentation of the financial statements.

My responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide an assurance that there are no material modifications that should be made to the financial statements.

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON  
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Management has elected to omit substantially all of the disclosures ordinarily included in financial statements prepared in accordance with the cash basis of accounting. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Town's assets, liabilities, equity, revenues and expenses. Accordingly, these financial statements are not designed for those who are not informed about such matters.

Additionally, I have performed the procedures enumerated below which were agreed to by the specified users of the report, as identified above, and as defined within the applicable state laws of the State of Oklahoma solely to assist the Town and Public Works Authority in meeting its financial accountability requirements as prescribed by Oklahoma Statutes §11-17 (105-107) and §60-180.1-.3 and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2012. Management of the Town of Longdale is responsible for the Town's financial accountability and its compliance with those legal and contractual requirements. This agreed-upon procedures engagement was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of those parties specified in this report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

**Procedures and Findings**

As to the **Town of Longdale** as of and for the fiscal year ended June 30, 2014:

1. **Procedures Performed:** From the Town's trial balances, we prepared a schedule of changes in fund balances for each fund (see accompanying Exhibit A) and compared the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

**Findings:** None

2. **Procedures Performed:** From the Town's trial balances, we prepared a budget and actual financial schedule for the General Fund and any other significant funds listing separately each federal fund (see accompanying Exhibit B) and compared the actual expenditures and encumbrances reported to the authorized appropriations to report any noted instances of noncompliance with the appropriation limitations.

**Findings:** None

3. **Procedures Performed:** We agreed the Town's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** None

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON  
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**4. Procedures Performed:** We compared the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** None

**5. Procedures Performed:** We compared use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:** None

**6. Procedures Performed:** We compared the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** None

**7. Procedures Performed:** We compared the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** None

As to the **Longdale Municipal Authority**, as of and for the fiscal year ended June 30, 2014:

**1. Procedures Performed:** From the Authority's trial balances, we prepared a schedule of revenues, expenditures/expenses and changes in fund balances/net assets for each fund (see accompanying Exhibit C) and compared the schedule results to the applicable trust prohibitions for creating fund balance deficits to report any noted instance of noncompliance.

**Findings:** None

**2. Procedures Performed:** We agreed the Authority's material bank account balances to bank statements, and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

**Findings:** None

**3. Procedures Performed:** We compared the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

**Findings:** None

**INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON  
PROCEDURES THAT INCLUDES AN ACCOUNTANT'S COMPILATION REPORT ON  
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**4. Procedures Performed:** We compared the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

**Findings:**

**5. Procedures Performed:** We compared the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

**Findings:** None

**6. Procedures Performed:** We compared the Authority's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

**Findings:** None

As to the **Town of Longdale and Public Works Grant Programs**, as of and for the fiscal year ended June 30, 2014:

**1. Procedures Performed:** From the Town and Authority's trial balances, we prepared a schedule of grant activity for each grant/contract (see accompanying Exhibit D) and compared the receipts and disbursements to grant agreements and supporting information to report any noted instances of noncompliance with the grant agreement.

**Findings:** None

I was not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance. Accordingly, we do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than these specified parties.

  
October 14, 2014

**Exhibit A**  
**Town of Longdale**  
**Summary of Changes in Fund Balances**  
**For the Year Ended June 30, 2014**

	Beginning of Year	Current Year Change	Disbursements	End of Year
<b>TOWN:</b>				
<b>Governmental Fund Types</b>				
General Fund				
Checking	\$ 125,962	68,617	\$ 50,800	\$ 143,780
Certificate of Deposit	14,729	29	-	14,758
<b>Total General Fund</b>	<b>140,691</b>	<b>68,646</b>	<b>50,800</b>	<b>158,538</b>
Street and Alley	4,284	2,470	200	6,554
Municipal Court Fund	10,302	5,341	4,710	10,933
Water Well Fund	33,868	68	-	33,936
<b>Fiduciary Fund Type</b>				
Cemetery Fund	269	8	-	277
Cemetery Endowment Fund				
Checking	2,796	4	-	2,800
Certificate of Deposit	3,621	7	7	3,621
Cemetery Trust Fund	6,417	11	7	6,421
Water Deposit Fund	2,080	3	-	2,083
Checking	11,241	1,029	927	11,343
Certificate of Deposit	4,005	12	12	4,005
Total Water Deposit Fund	<b>15,246</b>	<b>1,041</b>	<b>939</b>	<b>15,348</b>
Fire Fund	4,472	5,104	9,075	502
Town Subtotal	217,630	82,693	65,731	234,592
<b>MUNICIPAL AUTHORITY:</b>				
MA Utilities Fund	120,936	100,153	89,608	131,481
Property and Equipment Fund	47,210	-	3,164	44,046
MA Improvement Fund				
Checking	45,867	4,708	1,420	49,155
Certificate of Deposit	17,067	34	34	17,067
Total MA Improvement Fund	<b>62,934</b>	<b>4,742</b>	<b>1,454</b>	<b>66,222</b>
MA Subtotal	231,081	104,895	94,227	241,749
Overall Totals	\$ 448,710	\$ 187,588	\$ 159,958	\$ 476,340



**Exhibit B**  
Town of Longdale  
Budgetary Comparison Schedule General Fund - Cash Basis  
For the Year Ended June 30, 2014

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
<b>Beginning Budgetary Fund Balance:</b>	\$ -	\$ -	\$ 140,691	\$ 140,691
<b>Resources (Inflows):</b>				
<b>Taxes:</b>				
Sales Tax	49,365	49,365	50,890	1,525
Franchise Tax	11,343	11,343	8,465	(2,878)
Tobacco Tax	666	666	578	(88)
<b>Total Taxes</b>	61,374	61,374	59,933	(1,441)
<b>Intergovernmental:</b>				
Alcohol Beverage Tax	2,463	2,463	3,162	699
<b>Investment Income</b>	269	269	331	62
<b>Miscellaneous Income</b>				
Police Fines	324	324	685	361
Permits	-	-	52	52
Dog Tax	-	-	20	20
Royalty or Rental	653	653	1,201	549
Copies	-	-	6	6
Miscellaneous	4	4	3,227	3,223
<b>Other Financing Sources:</b>				
Transfer from Other Funds	-	-	-	-
<b>Amounts available for appropriations</b>	65,086	65,086	209,308	144,223
<b>General Government:</b>				
Personal Services	35,000	35,000	14,767	(20,233)
Maintenance and Operations	75,000	75,000	34,933	(40,067)
Capital Outlay	88,277	88,277	-	(88,277)
<b>Other Financing Uses:</b>				
Transfers to other funds	7,500	7,500	1,100	-
<b>Total Charges to Appropriations</b>	205,777	205,777	50,800	(148,577)
<b>Ending Budgetary Fund Balance</b>	<u>\$ (140,691)</u>	<u>\$ (140,691)</u>	<u>158,509</u>	<u>\$ 292,800</u>

**Exhibit C**  
**Longdale Municipal Authority**  
**Statement of Activities, by Fund - Modified Cash Basis**  
**For the Year Ended June 30, 2014**

	Municipal Authority	Property and Equipment Fund	Line Improvement Fund	Total
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 99,322	\$ -	\$ -	\$ 99,322
Other operating income	-	-	-	-
	<u>99,322</u>	<u>-</u>	<u>-</u>	<u>99,322</u>
<b>OPERATING EXPENSES</b>				
Personal services	28,944	-	-	28,944
Maintenance & operations				
Repairs & Maintenance	14,009	-	1,420	15,429
Insurance	5,340	-	-	5,340
Office Expense	3,418	-	-	3,418
Audit and legal	1,250	-	-	1,250
Telephone	3,698	-	-	3,698
Trash	23,102	-	-	23,102
Utilities	4,704	-	-	4,704
Depreciation	-	3,164	-	3,164
Total Operating Expenses	<u>84,463</u>	<u>3,164</u>	<u>1,420</u>	<u>89,048</u>
<b>NET OPERATING EXPENSES</b>	<b>14,859</b>	<b>(3,164)</b>	<b>(1,420)</b>	<b>10,274</b>
<b>NON OPERATING REVENUES (EXPENSES):</b>				
Interest Income	253	-	106	359
Royalty Income	35	-	-	35
Other Receipts (NODA-REAP)	-	-	-	-
Transfer to other fund	(4,603)	-	4,603	-
Total Other Income/Loss	<u>(4,314)</u>	<u>-</u>	<u>4,708</u>	<u>394</u>
<b>INCREASE (DECREASE) IN NET ASSETS</b>	<b>10,544</b>	<b>(3,164)</b>	<b>3,288</b>	<b>10,668</b>
<b>LAPSED ENCUMBRANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET ASSETS, Beginning of Year</b>	<b>120,936</b>	<b>47,210</b>	<b>62,934</b>	<b>231,081</b>
<b>NET ASSETS, End of Year</b>	<b><u>131,481</u></b>	<b><u>44,046</u></b>	<b><u>66,222</u></b>	<b><u>241,749</u></b>

**Exhibit D**  
**Town of Longdale**  
**Blaine County, Oklahoma**  
**Schedule of Grant Revenues and Expenditures**  
**For the Year Ended June 30, 2014**

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The notes to the financial statements are an integral part of this statement.  
See the accompanying independent auditors' report.